

See Fulton Cnty
for mid state, Repatter
mine -

KNOX



Questions unanswered as to status of Bear Mine

Jan. 20, 2001 The Register-Mail

By TAMMY BOULD
of The Register-Mail

YATES CITY — With two notices of violation, two cessation orders, two lawsuits and the removal of its equipment, Silvercreek Construction Company's Bear Mine, located in Salem Township, may be out of business.

Phone messages left for Silvercreek owner John Quaid and Operations Manager Mark Balagna asking the status of the mine have not been answered at time of publication. But, neighbors to the property said there has not been any mining at the location for nearly four or five months and all of the large equipment, except for an old trailer and a shovel, has been removed.



The strip mine opened in June 1999 without obtaining the required water pollution permit. On March 27, 2000, Knox county State's Attorney Paul Mangieri and Illinois Attorney General James Ryan, on behalf of the Illinois Environmental Protection Agency, filed a complaint in Knox County Circuit Court against Silvercreek. The four-count lawsuit sought injunctive and other relief for water pollution, discharging water without a permit, operating a mine without a permit and soil erosion. On Aug. 28, Circuit Judge James B. Stewart entered a judgment in favor of the plaintiff.

The Illinois Department of Natural Resources Office of

Mines and Minerals issued two notices of violation against the company on Oct. 23 for failure to submit an engineering plan for a sediment pond and on Nov. 20 for failure to submit ground water and surface water monitoring data. Cessation orders were issued Nov. 27 for not abating the first violation and on Jan. 2, 2001, for not abating the second violation.

"They can't open up based on orders against them," said, IDNR OMM Director Scott Fowler. "The next step would be to rescind the permit."

Balagna filed for bankruptcy this month, listing his occupation as unemployed. On Thursday, Utilities Service Corp. filed a complaint in Knox County Circuit Court against Silvercreek Construction Company to foreclose on a Mechanic's Lien. Utilities Service Corp. claims Silvercreek owes \$42,899.73 plus interest for work done on the property.

Fowler did not know when the mining permit might be rescinded but said the case seems to be "heading down that road." He did say the state has a bond from Silvercreek to reclaim the land that has been mined. If Silvercreek defaults on the reclamation, the permit will be pulled and notice will be filed with the Applicant Violators System, which means that Silvercreek will not be able to receive a mining permit anywhere in the United States.

Contact Tammy Bould at 343-7181, ext. 261, or e-mail, tbould@register-mail.com

The Register-Mail

Mine owner fined \$75,000

By TAMMY BOULD
of The Register-Mail

GALESBURG — Silvercreek Construction Company, the owner of Bear Mine, located in Salem Township, was fined \$75,000 in Knox County Circuit Court Thursday for water pollution and discharging water without a permit. The company was also permanently enjoined from future violation of the

Illinois Environmental Protection Act. The company is not mining at Bear Mine and the majority of its equipment has been removed, but if the operation is started up again, it must fully comply with IEPA regulations or it will be in contempt of court. In a strange turn of events, the first motion Circuit Judge James B. Stewart had to rule on Thursday was a motion to withdraw filed Feb. 18 by Silvercreek's attorney Linda L. Laugges, of Thomas, Mamer & Haughey, Champaign. Laugges told

"I wonder if a \$20,000 penalty is sufficient to make them operate within the permit."

— Judge James B. Stewart

Stewart she had not been paid by the company for her legal services. After granting the motion, Stewart asked Assistant Attorney General Elizabeth Pitrolo if the hearing could continue with no representation at the hearing for Silvercreek and asked if Silvercreek had adequate time to replace its counsel. Pitrolo said the company had "ample time" to appear in court and to replace its attorney, but it had not replied to the

previous judgment against it or to the notice of a penalty hearing filed in October. Pitrolo said the company began operations in June 1999 and was notified in August 1999 that it did not have the permits needed to surface mine. The company continued operations without the proper permits and in January 2001 finally received a permit from the

See Mine, Page A-10 ■

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Contact Tammy Bould at 343-7181, extension 261, or tbould@register-mail.com

Calling Silvercreek's actions "willful and reckless behavior," Stewart fined the company \$75,000. "I was very pleased with Judge Stewart that he seems to be greatly interpreting the laws and upholding them," said Jane Johnson, Gilson, a member of the Citizens Organizing Project, a group that has been monitoring and taking action against surfacing mining companies in violation of Illinois law since 1975. "The citizens of Illinois should be very pleased that this company has been brought to justice and they can not pollute anymore," she said. When asked what she thought of the judge fining the company more than the state had requested, Johnson said, "I think the judge really interpreted the regulations and he saw the seriousness of it and the impact of it. He did see the gravity of it. He seemed to have a fine understanding of it."

Ill. Friday, March 9, 2001



John G. Moore Corporation, Rockester, N. Y. Binder and holes in leaves, each Patented 1966, 379706

Mine Name or No.,
 mile from
 Operator, 19

A-10 The Register-Mail, Galesburg, Ill. Friday, March 9, 2001

Mine

■ Mine, from Page A-1

IEPA. However, it is still out of compliance with the terms of the permit.

The maximum fine that could be imposed is \$50,000 for each of the three violations the company was found guilty of in August, plus \$10,000 per day for each day it was out of compliance. Pitrolo said the state was recommending a \$20,000 fine.

When Stewart asked Pitrolo why the state was not requesting a larger penalty, Pitrolo said Bear Mine is not currently operating and Silvercreek may be in bankruptcy.

"I wonder if a \$20,000 penalty is sufficient to make them operate within the permit," Stewart said. He explained that because the company knew it needed a permit and "chose not to get one," it was more than a technical violation. He reasoned that because there was no effort to remedy the violation over a 11/2 year period, "the company made an economic decision to act in violation of the law and public welfare."

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Railroad, Wagon, Idle, Abandoned

IDENTIFICATION

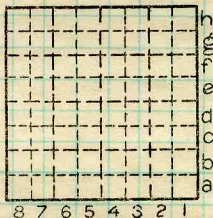
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L.—SURFACE SHEET (Geol.)

5/11/2000

SILVER CREEK COAL CO. BEAR MINE KNOX COUNTY, IL

Here is the information I obtained from Mr. Jack Simpson, Mine Inspector for the NW IL coal field on the above mine; you or Dan might want to print this info to add to our Mine Notes.

Company: Silver Creek Construction Co.
Mine name: Bear Mine
County: Knox
Location: SW of Sec. 27, 9N-4E
Permitted area: 195 acres, about 115-120 of which with minable coal reserves
Expected life of mine: 3-5 years
In situ reserves: approx. 1 mill. tons,
Anticipated production 0.2-0.3 mill. tons per year
Superintendent: William Pace

here is address of that company:

P. O. Box 196
Farmington, IL 61531

Currently the mine sits idle, due in part to some technical difficulties and an IEPA permit problem (not sure which), but mostly because they don't have a customer for their coal yet. So far they have sold <5,000 tons; they still have a few thousand tons of unsold coal on the ground. Thus they have min

They got the dragline of Midstate's former Rapatee mine, under a lease/purchase agreement; to be paid off from profits of coal sold. Initially they tried to run the dragline with electricity produced by a diesel generator, but that didn't work; so they had to bring in electricity. They also set up a small, mobile preparation plant to clean the coal.

Heinz

P.S. Did you have same location? 4